



Meeting Date: June 27, 2024 **Agenda Type:** Consent Items for Action

From: Ashley Van Booven **Reviewed by:** Dawn Schriewer
Director of Finance Chief Financial Officer

Submitted by: Dawn Schriewer **Approved by:** Ryan Kelso
Chief Financial Officer Chief Executive Officer

RECOMMENDED ACTION: Ratification of the Statement of Intent to Change Transmission Cost of Service and Wholesale Transmission Rates Application, and in Support Thereof, on April 11, 2024

BACKGROUND

On April 11, 2024, New Braunfels Utilities (NBU) filed with the Public Utility Commission of Texas an application to increase its transmission cost of service (TCOS) and wholesale transmission rates pursuant to 16 Texas Administrative Code (TAC) § 25.192 (Application). In the Application, NBU proposes to implement the rates for wholesale transmission service approved in the proceeding effective on May 16, 2024. The Application requests approval of an annual TCOS of \$3,698,142 and a wholesale transmission service rate of \$0.04182 per kilowatt (kW) per year. If approved, the total increase to NBU’s transmission rate base will be \$18,325,360 with a total transmission revenue requirement increase of \$2,031,304. NBU previously made a comprehensive TCOS filing based on a historical test year ending July 31, 2016, in Docket No. 47129, wherein the Commission approved a TCOS in the amount of \$1,666,838. NBU also requests approval of a rate case expense surcharge that would allow the recovery of NBU’s rate case expenses from transmission service customers over a twelve-month period. Total rate case expenses incurred as of March 31, 2024, are addressed in the direct testimony of NBU's outside attorney, Mr. Cody Faulk.

NBU staff is requesting ratification from the NBU Board of Trustees for the filing of the Statement of Intent to Change Transmission Cost of Service and Wholesale Rates Application, and in Support Thereof, filed on April 11, 2024.

FINANCIAL IMPACT

Overall revenue increase in NBU’s TCOS of \$2.03M annually

LINK TO STRATEGIC PLAN

Financial Excellence

EXHIBITS

None